

ASSEMBLY BILL

No. 2362

Introduced by Assembly Members Skinner and Blakeslee

February 19, 2010

An act to amend Section 769.55 of the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 2362, as introduced, Skinner. Insurance: agents and brokers.

Existing law provides that the obligation of an insurer to furnish any notice to its insured, as required by law, may be carried out by the insurer's general agent; however, the delegation of this obligation does not limit or negate the insurer's responsibility or liability if the general agent fails to provide the required notice.

This bill would make technical, nonsubstantive changes to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 769.55 of the Insurance Code is amended
- 2 to read:
- 3 769.55. Notwithstanding any other provision of this code, for
- 4 the purposes of Chapter 6 (commencing with Section 520) through
- 5 Chapter 11 (commencing with Section 675), inclusive, of Part 1
- 6 of Division 1, the obligation of an insurer to furnish any notice to
- 7 its insured required by law may be carried out by an insurer's
- 8 general agent, provided, however, that an insurer's delegation of

1 a notice obligation to a general agent shall not limit or negate the
2 insurer's responsibility or liability if the general agent fails to
3 provide the required notice.

4 As used in this section, "general agent" means a licensed fire
5 and casualty broker-agent who, pursuant to a written contract with
6 an admitted insurer manages the transaction of one or more classes
7 of insurance written by the insurer and has the power to (1) appoint,
8 supervise, and terminate local agents, (2) accept or decline risks,
9 and (3) collect premium moneys from producing broker-agents.

10 Nothing in this section shall provide an exemption from Article
11 5.4 (commencing with Section 769.80) to ~~any~~ a fire and casualty
12 broker-agent who is otherwise subject to that article.